

MR. MUNSEY TELLS THE MERGER FACTS

to me. I certainly should not have, single-handed and alone, obligated The Munsey Trust Company and myself individually to the extent of guaranteeing \$6,500,000 of deposits in the midst of an excited and insistent run on the United States Trust Company, with its six banks and its 55,000 depositors to deal with.

The moral force of the Government's good offices was a big factor in quieting the alarm and restoring confidence to the depositors of the United States Trust Company, as well as to depositors in many other Washington banking institutions.

The details of the plan for making a loan to the United States Trust Company did not concern me. The proposition that came to me was that the Government would make this loan to the United States Trust Company on its securities, and that the money would come through three national banks. (I think it was three, not over four at most.) The names of two of these banks I recall, one the Commercial National, and the other the District National.

Having agreed to take over the United States Trust Company and to guarantee its deposits, I prepared a statement for the newspapers setting forth the facts in the transaction, in which I assured depositors in the United States Trust Company of their safety through the guarantee of The Munsey Trust Company and my own individual guarantee.

After I had gone to my hotel a meeting of the Clearing House was called. It developed in that meeting that there was objection on the part of some banks to this loan being handled through three banks, or four, whichever the number was scheduled to be. The result of the discussion, in a word, was that eleven national banks should participate in the matter, each to take \$90,000 of the Government money and turn it over to the United States Trust Company.

The question was raised by the Clearing House as to how much money Mr. Munsey would put up, and on this point the success or failure of the Government's plan to aid in restoring confidence hung in the balance.

The situation was critical in the extreme. It was 4 o'clock in the morning. Word had gone out to the citizens of Washington through the newspapers that the United States Trust Company had been absorbed and that depositors were guaranteed against loss by The Munsey Trust Company, which had taken over the United States Trust Company.

Under this pressure, the men at that meeting associated with me in the management of The Munsey Trust Company volunteered the statement that I would bring on from New York half a million dollars and have it here early in the morning.

The strained situation was further aggravated by a suggestion from Mr. Flather, of the Riggs National Bank, that this money be deposited with the American Security and Trust Company, an affiliated institution with the Riggs National Bank, but this suggestion was turned down hard by the men of The Munsey Trust Company.

The proposition of the Government concerning the loan of \$1,000,000 to the United States Trust Company carried no conditions, other than that I protect the depositors of the United States Trust Company. It had no strings attached to it and placed me under obligations to no one.

The question as to what I would do, which came up after I had gone to my hotel, was entirely foreign to my acceptance of the Government's proposal and could not be made a part of the transaction.

What I would do to carry through to a successful conclusion the work I had undertaken, was my business and not the business of anyone else.

When I learned in the morning what had happened at the Clearing House meeting, I resented the interference and presumption, and said that I would run my business in my own way and accept dictation from nobody. I had asked no favors from any bank or body of bankers, and had none to ask.

That afternoon, in response to a request, I went to a meeting of the Clearing House. The chairman of the meeting asked me if I had brought over the \$500,000 promised by my representatives. I replied that I had not, and was then asked why I had not done so. I answered, that with \$1,631,000 in currency in the vaults of the United States Trust Company, and the run on its banks broken, I saw no occasion for doing so.

Furthermore, I added that no one had been authorized to represent me in this phase of the matter, a condition that had been injected into the situation long after I had gone to my hotel for the night.

After some discussion, the chairman of the meeting—I think it was the chairman—asked me if I was then willing to square myself to the statement of my representatives and bring over the \$500,000 from New York. I answered that I would do so if the clearing house committee would take the responsibility of asking me to do it merely on technical grounds; that failing to take this responsibility, I declined to bring over the money until I saw some occasion for doing so.

It was finally agreed at that meeting that it should be left to Mr. Flather, chairman of the Clearing House Association, and to myself, to determine if there was any occasion for bringing the money from New York. Up to date I have received no notification from Mr. Flather of any occasion for bringing on the money and I have seen none myself. If there had been any necessity for it it would have been done.

In view of these facts, to say and to circulate to the world that I have not kept faith with the clearing house, is to say and to circulate something that is misleading and absolutely false.

The above statement briefly covers the facts and covers them accurately. Now, a word of comment.

It was not at all necessary to The Munsey Trust Company or to myself that it absorb the United States Trust Company or any other bank. The Munsey Trust Company had been in business only six months, but had already demonstrated its strength and standing in this community. Its absorption of the United States Trust Company was not, therefore, wholly a business move. It was done in large part to save a serious situation.

In my judgment the failure of the United States Trust Company with its 55,000 depositors would have dragged down other banks in Washington, but The Munsey Trust Company would not have been one of them. It could have paid off immediately its nearly four thousand depositors, and would have had a large margin of ready cash on hand.

So it was not to protect itself that The Munsey Trust

Company took on the obligations of the United States Trust Company. What it did was as free to other banks of the town to do as it was to The Munsey Trust Company, and however ready other banks might have been to do what The Munsey Trust Company did do, the fact stands out clear that it was The Munsey Trust Company that acted in the matter—not some other bank—and that it was The Munsey Trust Company that shouldered the responsibilities restoring confidence to bank depositors generally.

The Government took no chances in the matter and the eleven national banks took no chances in the matter. The Government put up the money—not the bankers—and the Government had \$1,600,000 of United States Trust Company securities as collateral to secure the loan.

Moreover, I furnished to each of the eleven banks a signed statement, as the President of The Munsey Trust Company, agreeing to return the money whenever the Treasury Department called it, and as well guaranteeing the collateral pledged with the Government.

It is well to bring out clear and to emphasize the fact that the only chances taken in the whole affair were taken by The Munsey Trust Company and myself. No other man obligated himself to the extent of one penny or offered to do so.

The Munsey Trust Company not only guaranteed the depositors of the United States Trust Company against loss, but offered to restore to good standing the accounts of savings depositors who had, through fear, withdrawn their money. This meant a saving of \$25,000 in interest to these depositors, and a corresponding cost to the company.

There has been a good deal of newspaper and other talk about an investigation by Congress of the absorption of the United States Trust Company and the loan the Treasury made it. Personally, I should like very much to have this investigation, but a mere investigation of this transaction is not exactly what Washington needs.

The needs of Washington would best be served by a move on the part of Congress to standardize banking in the National Capital, and put it on the soundest and firmest basis in the world. If there is any place in America more entitled to have sound, safe banking, than another, it is the home of the National Government.

Such a move by Congress could be broad enough to cover any investigation of the absorption of the United States Trust Company as well as to cover any other acts or transactions reaching into the past as far as it might be found desirable to go.

This statement is not made to reflect unfavorably on anyone or to gain glory for The Munsey Trust Company. It is made because it is due and because it presents some very clarifying facts—facts that the Washington public have a right to know.

Nobody who has anything worth while to do in this world has any time for bickerings or ill feeling. I certainly have none, and insofar as it can do so, The Munsey Trust Company will prove a help to this community.

FRANK A. MUNSEY

WILL TRY TO RAISE SUNKEN LINER ZULIA

NEW YORK, Dec. 10.—The steamer Zulia, of the Red D line, sailing between New York and Venezuelan ports, sank in Buttermilk Channel, between Governors Island and the Brooklyn shore. The Zulia was being towed by half a dozen tugs to a drydock after an engine shaft, weighing two tons, which was being loaded into the ship's hold, slipped from its casing and plunged into a hatch and through the bottom of the steamer.

The sunken steamer is resting on the flats at the foot of Conover street, Brooklyn. In sinking, the ship took a slight list to starboard, and at present only the funnels, masts, the fore part of the deck and the bridge house are above water. Contracts will be signed today for raising the steamer. Where she lies there is no current, and it is expected that it will be a comparative simple matter to place chains beneath the bottom and raise the vessel by derricks and pontoons.

The accident that resulted in the sinking of the ship happened late Monday afternoon. The engine shaft, consigned to Caracas, was raised carefully in a sling, precautions having been taken against its slipping out. The case in which it was placed, however, was not strong enough, and when directly over

hatch No. 2, the end of the box broke. Several women in the hold narrowly missed death as the shaft shot by them, drilled its way through the cargo and through the ship's bottom.

Pumps were brought into action, but the water gained faster than it could be removed, and it was found necessary to seek a drydock. A temporary plug was placed in the hole, but when tugs hauled the vessel clear of her dock the action of the water pushed the plug away, and the hold filled rapidly. When the stern went down, the forward part of the keel struck on the soft, shelving beach off Conover street.

The seventy-five passengers who were booked to sail on the Zulia Saturday have been informed that the steamer Thyra Menier will sail at noon of that day, and that the Zulia's passengers and cargo will be taken aboard.

The loss entailed by damage to the Zulia and cargo, it is said, will amount to about \$200,000.

Chicago Girl London Bride.

LONDON, Dec. 10.—Miss Helen Goudy, of Chicago, and Gerard Leigh, of the First Lie Guards, were married today in St. George's Church, Hanover Square. A large society crowd attended the ceremony.

CASTORIA For Infants and Children. The Kind You Have Always Bought Bears the Signature of *Wm. D. Galt*

Don't Miss Adolph Kahn's BIG CHRISTMAS SALE

We can demonstrate to your complete satisfaction that it is economical to buy Jewelry, Silverware, etc., here. Our stock is high-class, our prices lowest.

Gentlemen's \$12 Gold-filled Watches; 20-year guarantee; Elgin or Waltham movement\$8.00
Ladies' \$15 Gold Watches; Elgin or Waltham movement; guaranteed for 20 years\$10.00
\$7 and \$8 Solid Gold Bracelets, hand engraved, with wire safety catch.....\$5.00
\$8 Vanity Boxes, sterling silver\$6.00
\$20 Extra Large Size Comb, Brush and Mirror Sets, in sterling silver, with monogram\$15.00
\$10 Lavalliers, beautiful gold design with pearls, rubies, and sapphires and real diamond\$6.00
\$9 Signet Rings.....\$5.00
Sterling Silver Picture Frames, 5 1/2 inches.....\$1.50
\$10 6-piece Sterling Silver Manicure Sets, in case.....\$6.50
\$7 Shaving Stands, plated\$5.00
\$12 Shaving Stands, with adjustable mirror.....\$7.00
\$5.00 Signet Rings.....\$2.50
\$15 Gold Lorgnettes.....\$10.00
\$7 and \$8 Plated Comb, Brush and Mirror Sets.....\$5.00
\$8 Solid Gold Cuff Buttons\$5.00
\$5 Lavalliers, beautiful gold design with beads, rubies and sapphires.....\$2.50
Finest Nickel-plated Chafing Dishes and Percolators\$5.00

A. KAHN, 935 F St.

WILL BE INTRODUCED TO LONDON SOCIETY



MRS. WILLIAM E. COREY, Wife of the steel millionaire, is expected to be introduced to London society this season. Lady Paget and Mrs. Fanny Reid will be her sponsors.

Philadelphia's Mayor Is Greatly Improved

PHILADELPHIA, Dec. 10.—Much stronger after a three weeks' rest at Asheville, N. C., Mayor Blankenburg returned today to again wrestle with city problems. Mrs. Blankenburg accompanied him.

Belasco Matinee Popular-Priced Today

Popular prices will prevail at the matinee this afternoon at the Belasco Theatre of Broadhurst's great play "Bought and Paid For," which is the attraction William A. Brady is presenting there all this week. The reduction in the price of seats applies only to this one performance, the regular scale being in effect all the rest of the engagement.

WEATHER REPORT.

The forecast for the District of Columbia—Fair tonight and Thursday; much change in temperature.
For Maryland—Fair tonight and Thursday; not much change in temperature; light to moderate southwest winds.
For Virginia—Fair tonight and Thursday; not much change in temperature; light variable winds.
For Pennsylvania, Delaware and New Jersey—Fair tonight and Thursday; not much change in temperature; light to moderate southwest winds.

The temperature today as registered at the United States Weather Bureau and Affleck's:
U. S. BUREAU. AFFLECK'S.
8 a. m. 25 8 a. m. 22
9 a. m. 26 9 a. m. 24
10 a. m. 29 10 a. m. 26
11 a. m. 30 11 a. m. 27
12 noon 31 12 noon 28
1 p. m. 32 1 p. m. 29
2 p. m. 34 2 p. m. 30

TIDE TABLE.
High tide, 3:29 a. m. and 5:36 p. m.
Low tide, 11:44 a. m.

SUN TABLE.
sun rises..... 7:05 | Sun sets..... 4:11

Leverton's
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THE HOUSE OF FASHION

Select Your Outer Apparel From the Largest and Most Complete Stock in This City. Every Style, Shade and Material You Can Think Of.

Specials for Thursday

All \$25.00

COATS,

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DRESSES,

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Alterations Free

SIDEWALKS COST IS PLACED ON OWNERS

The District taxpayer was jarred again today when the House District Committee, at a special and suddenly called session, reported out the Johnson bill, amending against abutting property all sidewalk construction in the District of Columbia.

Under the existing arrangement property owners pay but one-half of sidewalk construction costs, the remaining half being borne by the District and the Federal Governments. The bill introduced by Chairman Johnson provides "that hereafter whenever any sidewalk in the District of Columbia is constructed or repaired, the whole cost of such construction or repair shall be assessed against the property which abuts on the sidewalk so constructed or repaired."

It is believed that the special meeting of the District committee was called in order that this bill may be rushed through, and that in the current District of Columbia appropriation bill, now being prepared by the appropriation committee, no sidewalk construction appropriation will be made from the District and Federal governments.

The subcommittee of the House Appropriations Committee today heard Commissioners Nease and Harding enter an urgent request for a \$100,000 appropriation to make a physical valuation of the public utilities in the District.

trict. The Commissioners asked that if the entire \$100,000 cannot be made available at this time, at least a portion of the amount shall be allowed in order that the Public Utilities Commission may begin its work.

"AUBURN HAIR GIRL" REMOVES DANDRUFF

The "Girl With Auburn Hair" Represents Parisian Sage, the Most Pleasant and Invigorating Hair Tonic.

Parisian Sage quickly and surely removes dandruff—makes the hair soft, wavy, and abundant. It cleanses, cools, and invigorates the scalp. If your hair is thinning out or is harsh, dull, and lifeless, do not despair.

Follow the example of others whose hair you admire—give it daily attention. If you have dandruff it is because the scalp is too dry and flakes off. Nourish the scalp and dandruff disappears.

If the hair is dry, brittle and thin, soften it up—make it grow. Surely use Parisian Sage—it supplies hair and scalp needs. It is delicately perfumed and free from grease and stickiness. It quickly stops itching, head, takes away the dryness, immediately removes dandruff, makes the scalp healthy and gives the hair that enviable luster and beauty you desire.

The "Girl with the Auburn Hair" is on every 50 cent bottle of Parisian Sage. Sold at druggists or toilet counters—try it now. O'Donnell's Drug Store recommends it—Advt.

Christmas Jewelry OPEN EVENINGS DURING DECEMBER

Ladies' and Gentlemen's \$22 Genuine

Diamond Rings

\$14.50

\$25 Genuine Diamond \$25.00

\$70 Genuine Diamond \$50.00

\$125 Genuine Diamond \$100.00

\$7.50 Men's Solid Gold

Signet Rings

\$5.00

\$7.50 Ladies' and Men's

Solid Gold Set Rings.....\$5.00

\$4.75 Ladies' Solid Gold

Tiffany Rings.....\$3.00

\$3.00 Children's Solid Gold

Rings.....\$1.50

\$5 Solid Gold La-

valieres and Chains

\$3.00

\$12 Diamond Lavalliers and

Chain.....\$7.50

\$18 Diamond Lavalliers

and Chain.....\$12.00

\$5 Gold Filled Bracelets . \$3.50

\$7 Gold Bracelets . . . \$5.00

\$10 Gold Bracelets . . . \$7.50

\$1.50 Solid Gold Scarf Pin.....

\$1.50 Solid Gold Tie Clasp.....

\$1.50 Solid Gold Front Fobs.....

\$1.50 Link Buttons.....

\$1.50 Gold Studs.....

\$1.00

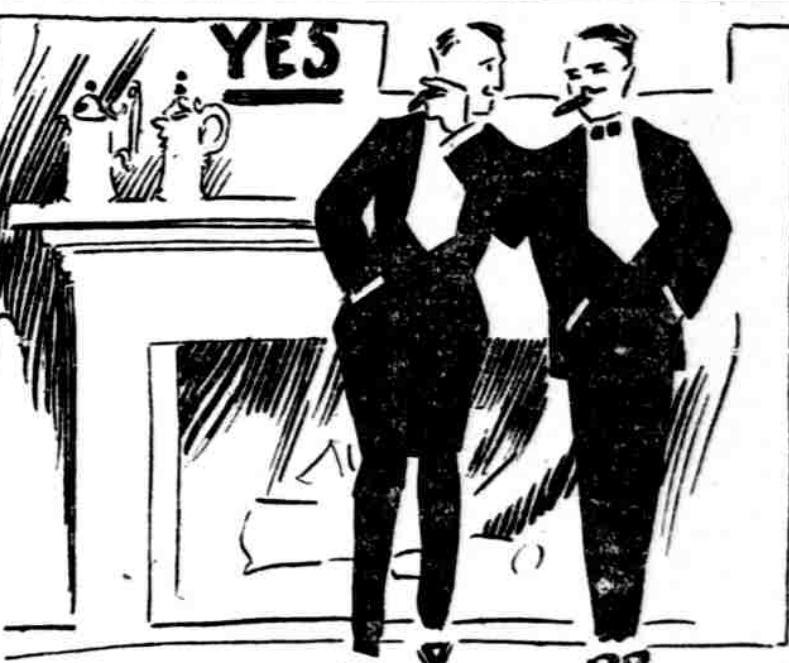
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